

**OSKALOOSA WATER BOARD  
REGULAR MEETING  
1/14/19**

**Members Present:**

Jason Carter  
Brad Hodges  
Nick Jones  
Brandon Strasser

**Others Present:**

Chad Coon  
Crystal Breuklander  
Irv Slagter  
Jack Pope  
Susanne Gerlach

**Ex-Officio Members Present:**

Dave Krutzfeldt

The meeting was called to order at 4:00 PM.

The Oath of Office was read and signed by Nick Jones as the newly appointed Water Board of Trustees member. The original will go to City Hall and a copy will be kept with the minutes. A motion was made by Jason Carter and 2<sup>nd</sup> by Brandon Strasser to approve the agenda as presented. Ayes; Carter, Hodges, Jones and Strasser. Nays; none. Absent; Tacke, motion carried.

A motion was made Brad Hodges to approve the minutes of the 12/10/18 regular meeting and 1/3/19 special meeting as presented. Second by Brandon Strasser. Ayes; Carter, Hodges, Jones and Strasser. Nays; none. Absent; Tacke, motion carried.

The attached vouchers totaling \$422,841.95 were presented for approval as well as Financial Statements. A motion was made by Jason Carter to approve the vouchers for payment and to also approve the Financial Statements. This was second by Brandon Strasser. Ayes; Carter, Hodges, Jones and Strasser. Nays; none. Absent; Tacke, motion carried.

---

1. Customer Forum was the next agenda item. There were no items presented to the Board of Trustees.
  
2. Consideration and discussion of billing for 1019 South 18<sup>th</sup> Street was next on the agenda. Irv Slagter, owner of 1019 South 18<sup>th</sup> Street, was in attendance to discuss the billing with the Board of Trustees. Chad presented information to the Board showing that there had been no work order issued to deactivate the account and therefore billing had continued from the notice of the leak in January 2017 until December 2018 when service disconnection was requested by Mr. Slagter. Mr. Slagter stated that he initially thought he could get the property fixed and re-rented but found that there was quite a bit more work to repair than he wanted to take on. He asked if it was possible to just get a credit on his account for the minimums that were paid from 2017 through 2018. Brad Hodges stated that there was policy in place that needed to be followed and since there was no request for disconnection of service the charges were valid. Jason Carter also stated that his feelings were the same, there was no request to disconnect and therefore the charges should remain. Brad then stated it appeared there was consensus and that the

Board would take no action on the issue to refund what had been paid for 1019 South 18<sup>th</sup> Street.

3. Next on the agenda was consideration and discussion of plans, specifications and form of contract regarding A Avenue West, Hwy 432, and North L Street water main replacement project. Jack Pope was in attendance and provided the group with an aerial view of the project. There were questions asked regarding the need for the project as well as the reason for the increased projected costs. After answering questions and providing the information that the bids would be opened on March 7<sup>th</sup> and then tabulated and that the Board would have the opportunity to approve them at the March 11<sup>th</sup> meeting, there was a motion by Brad Hodges to approve the plans, specifications and form of contract as presented. Jason Carter second the motion. Ayes; Carter, Hodges, Jones and Strasser. Nays; none. Absent; Tacke. Motion carried.
4. The next agenda item was consideration and discussion of cash flow statements as prepared by Public Financial Management (PFM). Susanne Gerlach was in attendance to discuss the two different cash flow scenarios with the group. In Exhibit 1 she showed that a 12% rate increase would keep the cash balance above the Board mandated level of \$750,000. In Exhibit 2 she showed only a 5% rate increase and what would happen to the Water Department in the upcoming years with the decline in consumption that is currently occurring. Expenses were the same between the versions, it was the revenue that was changed. In Exhibit 2 ending cash balance dropped to \$531,621 by the end of the fiscal year 2020. For Exhibit 1 the ending cash balance is projected to be \$719,248. There were a variety of questions that were asked about the two different versions and what Susanne had for a recommendation. There was a question about using an 8% increase this year followed with another 8% next year to try and soften the blow. Susanne stated that she uses conservative figures and that with the recent drop in consumption, the 12% increase is what she would recommend to the group. She also stated that the increase this year is being driven by the drop in consumption and the ongoing focus on capital improvement spending. There was a motion to approve the cash flow scenario as prepared by PFM in Exhibit 1 with the 12% rate increase made by Jason Carter and second by Nick Jones. Ayes; Carter, Hodges, Jones and Strasser. Nays; none. Absent; Tacke. Motion carried.
5. The next item on the agenda was the Public Hearing for the FY18-19 budget amendment. Motion to open the Public Hearing was made by Brad Hodges and second by Jason Carter. Ayes; Carter, Hodges, Jones, and Strasser. Nays; none. Absent; Tacke. Public Hearing opened at 4:57 PM. There were no comments received, written or oral. Motion to close the Public Hearing was made by Brad Hodges and second by Jason Carter. Ayes; Carter, Hodges, Jones, and Strasser. Nays; none. Absent; Tacke. Public Hearing closed at 4:58 PM.
6. Consideration and discussion of budget amendment for the FY18-19 budget was the next agenda item. The Board was presented with a line item budget showing each adjustment. This was in line with the cash flow exhibits as shown by PFM. Motion to approve the budget amendment to the fiscal year 2018-2019 budget as presented was made by Jason Carter with a second by Brandon Strasser. Ayes; Carter, Hodges, Jones and Strasser. Nays; none. Absent; Tacke. Motion passed.

7. Next was the Public Hearing for the proposed FY19-20 budget. Motion to open the Public Hearing was made by Brad Hodges and second by Jason Carter. Ayes; Carter, Hodges, Jones, and Strasser. Nays; none. Absent; Tacke. Public Hearing opened at 5:00 PM. There were no comments received, written or oral. Motion to close the Public Hearing was made by Brandon Strasser and second by Jason Carter. Ayes; Carter, Hodges, Jones, and Strasser. Nays; none. Absent; Tacke. Public Hearing closed at 5:01 PM.
8. Consideration and discussion of the proposed FY19-20 budget was the next agenda item. The group was provided a line item budget showing revenue and expenses and the changes from the amended FY18-19 budget. This budget also showed the proposed 12% rate increase and how it should affect revenue. Because most of this had been discussed during the cash flow agenda item earlier in the meeting, there were not many questions. Jason Carter made a motion to approve the proposed FY19-20 budget as presented with the 12% rate increase. Brandon Strasser second the motion. Ayes; Carter, Hodges, Jones and Strasser. Nays; none. Absent; Tacke. Motion passed.
9. Next on the agenda was the introduction of Resolution #1903, Resolution setting a Public Hearing before the Oskaloosa Water Board on the Matter of Proposed Rate Increases. Brad Hodges read and introduced the resolution setting the date for the Public Hearing as February 11<sup>th</sup> at 4:00 PM. Jason Carter second the resolution. Ayes; Carter, Hodges, Jones and Strasser. Nays; none. Absent; Tacke. Motion carried.
10. Consideration and discussion of pay application #7 from Dave Schmitt Construction Company, Inc. for South D Street water main replacement was the next agenda item. Chad provided the breakdown for the pay application to the group. It showed that there was only \$134.46 due this month as the Water Department continues to pay down the retainage. The total outstanding on the retainage was \$3,924.07. Motion to approve pay application #7 to Dave Schmitt Construction Company, Inc. as presented was made by Brad Hodges and second by Nick Jones. Ayes; Carter, Hodges, Jones and Strasser. Nays; none. Absent; Tacke. Motion passed.
11. Discussion of waste water operations was the next agenda item. Chad had provided an update to the group with their agenda packets. He asked if there were any questions about the operations. There were a few statements but nothing noteworthy. No action was taken by the Board.
12. General Manager's update was the next agenda item. The information for this was also included in the agenda packets. There was no action taken by the Board on this item.
13. The next item was updates from members of the Board of Trustees. Brad Hodges asked Chad about the water loss spreadsheet and progress towards finishing it. Brandon Strasser discussed a project that Clow was working on to identify pressure loss within the distribution system and asked if it might be applicable in Oskaloosa to assist with finding leaks and other water loss. There was no action taken by the Board.

There being no further items to discuss, it was moved by Jason Carter and second by Brad Hodges to adjourn. Ayes; Carter, Hodges, Jones and Strasser. Nays; none. Absent; Tacke. Motion passed.

ATTEST

Meeting Adjourned 5:20 PM

---

Kevin Tacke – Chairman

---

Brad Hodges– Secretary

The Oskaloosa Water Department Board of Trustees met in regular session Monday January 14, 2019 with board members Carter, Hodges, and Strasser present. The meeting was called to order at 4:00 PM. The Oath of Office was given to Nick Jones as the newest appointment to the Board of Trustees. The agenda was approved as presented. Ayes Carter, Hodges, Jones and Strasser. Nays; none. Absent; Tacke. Motion carried. Approved minutes of the 12/10/18 regular and 1/3/19 special meeting as presented. Ayes Carter, Hodges, Jones, and Strasser. Nays; none. Absent Tacke; motion carried. Invoices and financial statements were approved for payment. Ayes Carter, Hodges, Jones and Strasser. Nays; none. Absent Tacke; motion passed.

Following Warrants Allowed: (see attached sheet)

---

The next item on the agenda was Customer Forum. There were no items presented to the Board. The next agenda item was consideration and discussion of billing for 1019 South 18<sup>th</sup> Street. There was no action taken by the Board of Trustees on this issue. Consideration and discussion of plans, specifications and form of contract for A Avenue West, Hwy 432, and North L Street water main replacement project was next on the agenda. Motion by Hodges to approve the plans, specifications and form of contract as presented. Second by Carter. Ayes; Carter, Hodges, Jones and Strasser. Nays; none. Absent; Tacke. Motion carried. Next on the agenda was consideration and discussion of cash flow statements as prepared by Public Financial Management. Motion to approve cash flow exhibit #1 as prepared by Public Financial Management showing the 12% rate increase was made by Carter and second by Jones. Ayes; Carter, Hodges, Jones and Strasser. Nays; none. Absent; Tacke. Motion carried. Public Hearing for FY18-19 budget amendment was the next item on the agenda. Motion to open the Public Hearing was made by Carter and second by Strasser. Ayes; Carter, Hodges, Jones and Strasser. Nays; none. Absent; Tacke. Public Hearing opened at 4:57 PM. There were no comments received, written or oral. Motion to close the Public Hearing was made by Hodges and second by Carter. Ayes; Carter, Hodges, Jones and Strasser. Nays; none. Absent; Tacke. Public Hearing closed at 4:58 PM. Next on the agenda was consideration and discussion of budget amendment for the FY18-19 budget. Motion to approve the budget amendment as presented was made by Carter and second by Strasser. Ayes; Carter, Hodges, Jones and Strasser. Nays; none. Absent; Tacke. Motion passed. Next on the agenda was the Public Hearing for FY19-20 proposed budget. Motion to open Public Hearing was made by Hodges and second by Carter. Ayes; Carter, Hodges, Jones and Strasser. Nays; none. Absent; Tacke. Public Hearing opened at 5:00 PM. There were no comments received, written or oral. Motion to close the Public Hearing was made by Strasser and second by Carter. Ayes; Carter, Hodges, Jones and Strasser. Nays; none. Absent; Tacke. Public Hearing closed at 5:01 PM. Next on the agenda was consideration and discussion of proposed budget for FY19-20. Motion by Carter to approve the budget for FY19-20 as presented showing a 12% rate increase. Strasser second the motion. Ayes; Carter, Hodges, Jones and Strasser. Nays; none. Absent; Tacke. Motion passed. Next agenda item was consideration and discussion of pay application #7 from Dave Schmitt Construction Company, Inc. Motion to approve pay application #7 in the amount of \$134.46 was made by Hodges and second by Jones. Ayes; Carter, Hodges, Jones and Strasser. Nays; none. Absent; Tacke. Motion carried. The next three agenda items saw discussion by the Board, but there was no formal action taken. Motion was made for adjournment by Carter, and second by Hodges. Ayes; Carter, Hodges, Jones and Strasser. Nays; none. Absent; Tacke. Meeting adjourned. 5:20 PM.

Brad Hodges, Secretary